

**QUESTION AND ANSWERS
FY 2008 Midwest Clean Diesel**

1. I am having trouble with grants.gov, what do I do?

Answer: If you are having trouble with Grants.gov and haven't been able to resolve your issues by using the Grants.gov hotline, please submit your application and proposal **by Express and Hand Delivery Address (FedEx, UPS, DHL, etc.)** to:

U.S. Environmental Protection Agency
ATTN: Sharleen Getschman
Air and Radiation Division
77 West Jackson Boulevard, MC AR-18J
Chicago, Illinois 60604

U.S. Mail Address (Not recommended), however, you can submit by U.S. mail preferred to the same address and contact as above.

2. I can't find instructions to complete the SF-424 application, can you help me?

Answer: Yes. You can find the SF-424 application and instructions at http://www.grants.gov/agencies/aapproved_standard_forms.jsp#1

3. To whom should letters of support be addressed?

Answer: Letters of support can be addressed to the applicant. They don't have to be addressed to the U.S. EPA.

4. Can I apply for a project which replaces school buses with plug-in electric school buses?

Answer: Our RFP states "*Non-road and highway diesel vehicles and equipment can be replaced under this program with newer, cleaner vehicles and equipment that operate on diesel or alternative fuels and meet a more stringent set of engine emissions standards. Replacement projects can include the replacement of diesel vehicles and equipment with newer, cleaner diesel or hybrid or alternative fuel vehicles/equipment.*" Therefore, electric vehicles are eligible for replacement, but we will only fund 25% (or 50% if the vehicles being replaced meet certain criteria laid out in the RFP on page 5) of the replacement costs.

5. Our community is in the process of testing hydrogen hybrid fuel systems on our diesel and gasoline fleet. This system will reduce diesel emissions and cut fuel consumption by close to 50%. We were wondering if this program qualifies for this particular grant.

Answer: Equipment that is used for testing emissions and/or fueling infrastructure costs is not eligible for funding, if it is some sort of a conversion to use either diesel or hydrogen. To be eligible for the grant program, the option chosen needs to be verified or certified and I do not believe this product is. If there are any questions or if you believe the project fits with some rational please let me know. Please take a look at the request for proposals The request for proposals is located at:

<http://www.epa.gov/midwestcleandiesel/grants/FY08outreachdocs/mcdi-rfp-2008.pdf>

6. When will the contract be awarded?

Answer: We are not awarding contracts. We are making awards through Assistance Agreements.. The Project Periods will begin October 1, 2008, for 2 years.

7. Can a proposer submit more than one application?

Answer: Yes, however, whether Pre-Award costs are approved or not approved would be decided by the Project Officer upon receipt of a letter requesting the Pre-Award costs, justification for requesting the Pre-Award costs, the amount to be used, and the time frame of the expenditure and a signed SF-424A and B and Final Work Plan. Pre-Award costs are not guaranteed to be paid and are subject to the availability of funds and whether or not the award is offered by the Award Official. .

8. Are pre-award costs allowed up to 90 days prior to award providing there are sufficient programmatic reasons and costs were included in the application budget?

Answer: Yes. See answer #2 above.

Are no-cost extensions allowed? If so when can they be requested and for how long?

Answer: No-cost extensions are allowed depending on the circumstances of the grant and the Project Officer makes the decision to allow or not allow a no-cost extension. An extension can be requested anytime at a minimum of 30 days before the end of grant project period, if you feel you will not meet the timeline and milestones of the grant before the close out date. The timeframe of the extension depends on the needs to be discussed with the assigned project officer.

9. Can low floor vehicles be replaced with hybrid buses? Can low floor vehicles be replaced with bio-diesel?

Answer: For replacement vehicle, the RFP states:

Vehicle and Equipment Replacements: Non-road and highway diesel vehicles and equipment can be replaced under this program with newer, cleaner vehicles and equipment that operate on diesel or alternative fuels and meet a more stringent set of engine emissions standards. Replacement projects can include the replacement of diesel vehicles and equipment with newer, cleaner diesel or hybrid or alternative fuel vehicles/equipment. These projects can also include the replacement of non-road vehicles/equipment with highway models if the engine's operating cycles make the replacement technically feasible. EPA encourages the replacement of older vehicles and equipment containing engines that were manufactured prior to the implementation of emissions standards.

As with engine replacements, proposals must specify how the vehicles/equipment will be disposed. This funding covers the incremental costs of new vehicles and equipment. Incremental costs are defined as up to 25% of the cost of the new vehicle or equipment (except for school buses—see provision below). Please see the note below regarding repower and replacement proposals for additional eligibility requirements, such as original engine/vehicle/equipment disposal requirements.

Replacements for School Buses: Funding levels will cover up to 25% or 50% of the cost of a replacement school bus, depending on the engine emission certification levels.

1) Twenty-five percent level: This funding will cover up to 25% for school buses with engines manufactured in model years 2007, 2008 or 2009 that are particulate filter equipped in the case of diesel engines or catalyst equipped in the case of CNG engines and satisfy regulatory requirements for school bus engines manufactured in that model year and do not exceed the limits of particulate matter (PM) at 0.01, nitrogen oxides (NOx) at 2.0, and non-methane hydrocarbons (NMHC) at 0.40 (expressed in grams per brake horsepower hour, g/BHP-hr).

2) Fifty percent Level: This funding will cover up to 50% of the cost of a replacement school bus with engines manufactured in model year 2007, 2008, or 2009 that satisfy 2010 model year regulatory limits for emissions of PM, NOx and NMHC. The model year 2010 regulatory requirements are: PM at 0.01 grams per brake horsepower hour, NOx at 0.20 and NMHC at 0.14.

Repower and Replacement Proposals are eligible for funding on the condition that the following criteria are satisfied:

- ◆ The vehicle, engine, or equipment being replaced will be scrapped or the replaced engine would be returned to the original engine manufacturer for remanufacturing to a cleaner standard;
- ◆ The replacement vehicle, engine, or equipment will perform the same function as the vehicle, engine, or equipment that is being replaced (e.g., an excavator used to dig pipelines would be replaced by an excavator that continues to dig pipelines); and
- ◆ The replacement vehicle, engine, or equipment will be of the same type and similar gross vehicle weight rating or horsepower as the vehicle, engine, or equipment being replaced (e.g., a 300 horsepower bulldozer is replaced by a bulldozer of similar horsepower).

10. Will you require oral presentations from proposers before a decision is made? If yes, when and where?

Answer: No. Presentations are not allowed or mentioned in the Request for Proposals. Please read the Request for Proposals for more information.

11. When and how do you plan to announce the award decision?

Answer: Selections will be made at the end of July and selectees will be contacted by telephone and e-mail early August.

12. Are individual truck owners eligible to apply for a grant under the MCDI RFP?

Answer: No. The only way an individual truck owner can receive grant funding is to work with an eligible entity who is listed in the RFP in Section III (A). The eligible entity

would apply for the grant and provide individual truck owners with funding to retrofit their trucks.

13. Can an applicant apply for both a DPF and APU on the same vehicle?
If so, should they type it in the 'technology' field on the excel spreadsheet?

Answer: YES. They could do 2 separate lines showing the same vehicles but with different technology.

Does this refer to equipment owned by the airport or the airline?

Answer: It does not matter which one owns it.

14. Does the grant cover a portion of the DPF cleaning equipment?

Answer: The applicant can include that in the request.

15. For the Fuel Operated Heaters, what field should I enter them in the diesel quantifier? (I couldn't find a FOH option).

Answer: If something is not in the DEQ. Just indicate that in the application and provide a description of methods and then estimated outputs.

From the RFP:

Outputs:

- ◆ The term “output” means an environmental activity, effort and/or associated products related to an environmental goal and objective that will be produced or provided over a period of time or by a specified date. Outputs may be quantitative or qualitative but must be measurable during a cooperative agreement’s funding period. Proposals must include a description of how cooperative agreement recipients will track and measure progress towards the environmental goal throughout the project and budget period.
- ◆ Expected outputs from the projects to be funded under this solicitation may include but are not limited to the following: number of retrofitted engines/vehicles/equipment, annual pounds or tons of fine particulate matter (PM2.5), nitrogen oxides (NOx), greenhouse gases (GHG) and/or volatile organic compound (VOCs) reduced, cost effectiveness of project (in \$/ton or \$/lb), and health benefits achieved (health benefits may be measured by numbers of illnesses, health care costs, or missed work/school days avoided).
- ◆ If you are submitting a proposal to establish an innovative finance project, an expected output may include the number and amount of innovative financing loans awarded.
- ◆ To estimate some of the anticipated outputs of your proposal (e.g. pollution reduced), EPA encourages you to use the Diesel Emissions Quantifier found at <http://cfpub.epa.gov/quantifier/view/index.cfm>.
- ◆ Another tool is the National Mobile Inventory Model (<http://www.epa.gov/otaq/nmim.htm>). This tool must be used for State

Implementation Plan calculations. For technical assistance regarding this tool, please email mobile@epa.gov.

- ◆ If you are unable to use these models, please describe your methodology for estimating or determining outputs in detail. Emission reduction estimates and measurements for a verified technology should be based on demonstrated emissions reductions and emission factors listed on EPA or CARB's verified technology list. Pre-retrofit and post-retrofit emissions testing and/or monitoring are not an eligible use of EPA funds under this Request for Proposals.

16. Do you know if DERA funding is possible for an education project to promote alternative technologies to trucking fleets in our area? I believe the funding was just for actually doing something, versus promoting doing something...

Answer: The purpose of the Request for Proposals (RFP) is for the deployment of emission reduction technologies. From the RFP:

"This RFP solicits proposals on a competitive basis for cooperative agreements to reduce emissions from existing diesel engines through a variety of strategies, including but not limited to, a variety of diesel emissions reductions solutions such as: add-on emission control retrofit technologies; idle reduction technologies; cleaner fuel use; engine repowers; engine upgrades; and/or vehicle or equipment replacement; and the creation of innovative finance programs to fund diesel emissions reduction projects. This announcement also allows proposals for cooperative agreements that establish innovative financial programs, such as low cost loans."

The core of the work is to be deployment but often with those programs there is some reasonable level of funds for administration and education that may be included. It depends on how the proposal is set up. For example, a person can already have a fleet identified to do something so that is part of the application. In another case, an applicant may have a sector they want to reduce emissions from but it will take some effort to engage the sector, identify fleets and then implement the projects. Either case is eligible to apply. So it depends on what the plans are. It is important to see how the proposal covers the information requiring for project evaluations -page28-29 of the request for proposals.

17. Can a private transit company be included in a partnership for the diesel grant? We have a local, private company that has both school bus and charter buses.

Answer: Yes. A private company can partner with an eligible entity under the Request for Proposals. The eligible entity should apply for the grant and will manage the grant, while you are a partner who may be getting work done on your fleet.

18. Can you please share with me details on the program, eligibility requirements, and so forth, and how to apply for grants?

Answer: The Request for Proposals is located at <http://www.epa.gov/midwestcleandiesel/index.html> or at <http://www.grants.gov>

Please read through the Request for Proposals and it will tell you who is eligible to apply for the grant, what the eligible projects are and how to apply for the grant. You can go to <http://www.grants.gov> and it will provide you with all the information you need to apply for federal grants.

19. Does EPA offer a training class that explains what is available under this grant program?

Answer: The Environmental Protection Agency (EPA) does not offer training classes on how to apply for a grant or to describe specific projects that would fall under the eligible projects under the Request for Proposals (RfP). You will have to read the Request for Proposals and apply for a grant that is under the eligible projects.

If the applicant have a specific question regarding the Request for Proposals Eligible Projects or Eligible entities, EPA is allowed to answer specific questions. EPA is limited by our competition policy regulations as to how we can assist applicants with applying for a grant and which questions we can answer, and we are limited to answering specific questions regarding the RFP.

20. Are public transit authorities eligible entities under this RFP?

Answer: Please refer to the Eligibility Information Section III (A) pg. 12 - the public transit fleet would be eligible as a local agency with jurisdiction over transportation.

21. After the spreadsheet application is filled out (for DERA funding) where should it be sent?

Answer: The Request for Proposals (RFP) will be posted at <http://www.midwestcleandiesel.gov> or <http://www.grants.gov> today March 14. Please read this carefully and it will tell you where to send the Spreadsheet. The spreadsheet alone does not constitute an application package and will not be evaluated by itself. Please read the RFP for the submittal requirements.

22. Can an individual apply for a grant?

Answer: An individual is not eligible to apply for a grant. You would need to partner with one of the eligible entities identified in Section III of the Request for Proposals.

23. If that is the case, can you tell why for profit companies are excluded from RFP and also can you tell me if there is any way they can partner with some other entity in order to qualify.

Answer: The eligible entities to apply for the funds was set by Congress in the Energy Policy Act of 2005. A private company cannot apply directly but can partner with an eligible entity who can apply. For example, a municipality applying for a project to retrofit school buses contracted through a private school bus operator.

24. I noticed that matching funds are not required but encouraged under this program; is there a preference for cash or in-kind contributions? How much of a percentage of match are you looking for?

Answer: Please see Section III, B of the RFP, for Cost Sharing and Matching information.

25. How many applications do you expect to receive in response to this solicitation? Is this program particularly competitive?

Answer: Please see Section II, C&D of the RFP.

26. Could you verify that applications must be received via Grants.gov or the mail by June 12, 2008 at 6:00 p.m.?

Answer: Please see Section IV, B (1,2) – Page 14 & 15 of the RFP.

27. In order to receive funding for retro fitting vehicles with idle reduction technology, what steps need to be taken?

Answer: Please see Section IV, Proposal and Submission of the RFP

28. I found an excel sheet to fill out. Is this the application and if so where should it be sent after it is completed?

Answer: The excel spreadsheet is the fleet applicant worksheet which is recommended as part of an application. An eligible entity is recommended to include this fleet information as part of their application.

Please see Section IV, C(4) for fleet Information and Section IV for Application Information of the RFP.